



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

November 21, 2003

S. 420

Lumbee Recognition Act

As ordered reported by the Senate Committee on Indian Affairs on October 29, 2003

SUMMARY

S. 420 would provide federal recognition to the Lumbee Tribe of North Carolina. CBO estimates that implementing S. 420 would cost the federal government about \$430 million over the 2004-2008 period, assuming that the tribe receives services and benefits at a level similar to other currently recognized tribes and that the necessary funds are appropriated. Enacting S. 420 would have no effect on direct spending or revenues.

S. 420 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no direct costs on state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 420 is shown in the following table. The costs of this legislation fall within budget functions 450 (community and regional development) and 550 (health).

BASIS OF ESTIMATE

S. 420 would provide federal recognition to the Lumbee Tribe of North Carolina as an Indian tribe. Although the bill does not specifically authorize the appropriation of funds, it would make members of the Lumbee eligible to receive services through the Bureau of Indian Affairs (BIA) and the Indian Health Service (IHS). Thus, those federal agencies would be required to include members of the tribe among those eligible for benefits and may need additional appropriated funds to provide such benefits.

		By Fiscal Year, in Millions of Dollars				
		2004	2005	2006	2007	2008
CHANGES IN SPENDING SUBJECT TO APPROPRIATION						
Bureau of Indian Affairs						
Estimated Authorization Level		20	21	21	22	22
Estimated Outlays		15	20	21	21	22
Indian Health Service						
Estimated Authorization Level		62	64	66	67	69
Estimated Outlays		62	64	66	67	69
Total						
Estimated Authorization Level		82	85	87	89	91
Estimated Outlays		77	84	87	88	91

Bureau of Indian Affairs

As a federally recognized tribe, the Lumbee would be eligible for various programs administered by BIA, including child welfare services, adult care, child and family services, and general assistance. Based on information from the tribe, CBO estimates that S. 420 would increase such costs by about \$15 million in 2004 and about \$100 million over the next five years to support approximately 34,000 members of the Lumbee Tribe, subject to the availability of appropriations. This estimate is based on BIA's current per capita expenditures for other tribes located in the eastern United States.

Indian Health Service

S. 420 also would make members of the Lumbee Tribe eligible to receive health benefits from the IHS. Based on information from IHS, CBO estimates that average spending per eligible individual would be about \$1,800 in 2004. As noted above, the bill would make approximately 34,000 members of the Lumbee Tribe eligible for benefits. Thus, CBO estimates that S. 420 would cost about \$60 million in 2004 and about \$330 million over the 2004-2008 period, assuming appropriation of the necessary funds.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

S. 420 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no direct costs on state, local, or tribal governments.

ESTIMATE PREPARED BY:

Federal Costs:

Lanette J. Walker—Bureau of Indian Affairs

Eric Rollins—Indian Health Service

Impact on State, Local, and Tribal Governments: Marjorie Miller

Impact on the Private Sector: Cecil McPherson

ESTIMATE APPROVED BY:

Peter H. Fontaine

Deputy Assistant Director for Budget Analysis